

Office of the Chief Financial Officer

www.cfo.dc.gov

Description	FY 2003 Approved	FY 2004 Proposed	% Change
Operating Budget	\$92,776,127	\$88,570,180	-4.5

The mission of the Office of the Chief Financial Officer (OCFO) is to provide financial management services to the government and people of the District of Columbia to sustain long-term fiscal and economic viability.

The agency plans to fulfill its mission by achieving the following strategic result goals:

- Maintain a 14-day average turnaround time for individual income tax refunds throughout FY 2004.
- Finalize system requirements, select a vendor, and begin implementation in FY 2004 of the new payroll system to support Performance Based Budgeting (PBB), provide enhanced reporting capability and address human resource requirement.
- Maintain adequate cash balances for the District so that all payroll, vendor payments and other legal requirements are met.

- Ensure that District spending remains within approved budgets and/or available revenues for the fiscal year so that no spending deficits occur.
- Transition the District's budget and financial plan entirely to PBB terms, over the next three years.
- Provide an original binding revenue estimate that is within 5 percent of the variance between the Congressional Budget Office estimate of Federal revenue and actual Federal revenue, and provide a Local source expenditure estimate that is within 2 percent of the actual expenditures for FY 2004.
- Improve aspects of financial management that impact the bond rating in order to lower the cost of borrowing for the District, including the following: maintain legally required cash reserves, limit new debt to 15 percent of total outstanding debt, and remain within maximum debt service ratio of 12 percent of Local revenues.
- Improve tax compliance by increasing dollars collected from the accounts receivable balance by 7 percent in FY 2004 and increase

Did you know...	
Address for electronic tax filing	taxpayerservicecenter.com
Telephone number for taxpayer assistance	(202) 727-4TAX
Completed FY 2002 with a budget surplus	5 years consecutive
GASB Statement #34	Clean Opinion

Where the Money Comes From

Table AT0-1 shows the sources of funding for the Office of the Chief Financial Officer.

Table AT0-1

FY 2004 Proposed Operating Budget, by Revenue Type

(dollars in thousands)

	Actual FY 2001	Actual FY 2002	Approved FY 2003	Proposed FY 2004	Change From FY 2003	Percent Change
Local Fund	76,205	72,989	76,873	73,386	-3,487	-4.5
Special Purpose Revenue Fund	8,260	7,552	9,893	8,445	-1,448	-14.6
Total for General Fund	84,465	80,542	86,766	81,831	-4,935	-5.7
Federal Payments	0	50	0	0	0	0.0
Federal Grant	567	654	932	932	0	0.0
Total for Federal Resources	567	704	932	932	0	0.0
Intra-District Fund	6,602	7,352	5,078	5,807	729	14.4
Total for Intra-District Funds	6,602	7,352	5,078	5,807	729	14.4
Gross Funds	91,634	88,598	92,776	88,570	-4,206	-4.5

the total number of tax returns filed from the non-filer population, as measured by collections from research referrals (FY 2004 target: \$8 million).

- Improve customer service by:
 - Expanding options for accessing information, products and services as measured by increasing the number of taxpayers utilizing electronic and Internet filing by 25 percent in FY 2004.
 - Delivering quality and timely products and services as measured by a customer satisfaction rating of 85 percent in FY 2004.
 - Maintaining accurate account information.
 - Expanding taxpayer education by providing a variety of outreach approaches.
 - Establishing a customer satisfaction baseline evaluation tool and monitoring improvements.
- Mitigate the District's structural fiscal imbalance during a four-year period.
- Assure that the District's accounting, budget, payroll, and tax systems provide timely, accurate and reliable information, as measured by:
 - 90 percent system availability for users during regular business hours.
 - Establish a monthly reporting close 10 business days after month's end.

-Establish a baseline for customer satisfaction with systems.

- Produce the District's CAFR* for FY 2003 on time with an unqualified "clean" opinion, which includes the new reporting structure required by GASB** statement #34.
- Provide continuing professional development for employees, measured by 75 percent of employees who have an Individual Development Plan that addresses the needs of the OCFO and the employee.
- Maintain an adequate vendor base by paying 100 percent of valid vendor invoices within 30 days of receipt.
- Enhance and modify the financial Executive Information System to provide real-time budget management reports and on-line inquiries that track actual spending against agency spending plans in FY 2004.

*Comprehensive Annual Financial Report (The CAFR is an annual financial report issued by State and Local governments).

**Governmental Accounting Standards Board (The mission of the Governmental Accounting Standards Board is to establish and improve standards of state and local governmental accounting and financial reporting that will result in useful information for users of financial reports and guide and educate the public, including issuers, auditors, and users of those financial reports).

How the Money is Allocated

Tables AT0-2 and 3 show the FY 2004 proposed budget for the agency at the Comptroller Source Group level (Object Class level) and FTEs by fund type.

Table AT0-2

FY 2004 Proposed Operating Budget, by Comptroller Source Group

(dollars in thousands)

	Actual FY 2001	Actual FY 2002	Approved FY 2003	Proposed FY 2004	Change from FY 2003	Percent Change
11 Regular Pay - Cont Full Time	44,917	48,482	47,289	44,925	-2,364	-5.0
12 Regular Pay - Other	1,865	1,504	1,906	1,913	7	0.4
13 Additional Gross Pay	2,033	0	1,186	566	-620	-52.3
14 Fringe Benefits - Curr Personnel	8,005	8,544	8,310	8,340	30	0.4
15 Overtime Pay	0	653	0	386	386	100.0
99 Unknown Payroll Postings	0	0	0	0	0	0.0
Subtotal Personal Services (PS)	56,820	59,184	58,690	56,130	-2,560	-4.4
20 Supplies and Materials	663	581	957	764	-193	-20.1
30 Energy, Comm. and Bldg Rentals	342	521	361	448	87	24.2
31 Telephone, Telegraph, Telegram, Etc	973	825	1,176	867	-310	-26.3
32 Rentals - Land and Structures	6,857	7,110	7,855	8,209	354	4.5
33 Janitorial Services	195	179	177	190	12	7.0
34 Security Services	775	684	845	782	-63	-7.4
40 Other Services and Charges	4,992	5,536	5,980	6,263	283	4.7
41 Contractual Services - Other	16,373	11,166	15,107	13,389	-1,718	-11.4
50 Subsidies and Transfers	2,355	2,227	145	145	0	0.0
70 Equipment & Equipment Rental	1,288	585	1,483	1,382	-100	-6.8
Subtotal Nonpersonal Services (NPS)	34,814	29,414	34,086	32,440	-1,646	-4.8
Total Proposed Operating Budget	91,634	88,598	92,776	88,570	-4,206	-4.5

Table AT0-3

FY 2004 Full-Time Equivalent Employment Levels

	Actual FY 2001	Actual FY 2002	Approved FY 2003	Proposed FY 2004	Change from FY 2003	Percent Change
General Fund						
Local Fund	912	864	891	819	-72	-8.1
Special Purpose Revenue Fund	20	37	46	23	-23	-50.0
Total for General Fund	931	901	937	842	-95	-10.1
Federal Resources						
Federal Grant	1	0	3	3	0	0.0
Total for Federal Resources	1	0	3	3	0	0.0
Intra-District Fund	44	133	73	85	12	16.4
Total for Intra-District Funds	44	133	73	85	12	16.4
Total Proposed FTEs	976	1,035	1,013	930	-83	-8.2

Gross Funds

The proposed budget is \$88,570,180, representing a decrease of 4.5 percent from the FY 2003 approved budget of \$92,776,127. There are 930 total FTEs for the agency, a decrease of 83 FTEs, or 8.2 percent, from FY 2003 Approved budget of 1,013 FTEs.

General Fund

Local Funds. The proposed budget is \$73,385,978 representing a decrease of 3,486,697 or 4.5 percent from the FY 2003 approved budget of \$76,872,675. There are 819 FTEs funded by Local sources, representing a decrease of 72 FTEs or 8.1 percent from FY 2003 approved budget of 891 FTEs.

Changes from the FY 2003 approved budget are:

- A net reduction of 190,680 in personal services to align request with Schedule A and historical costs including an increase of \$102,280 in regular pay-continuing full-time, an increase of \$354,066 in overtime pay, offset by a decrease of \$592,591 in additional gross pay, a decrease of \$41,778 in fringe benefits and \$12,657 in regular pay-other.
- A decrease of \$2,991,999 in personal services

reflecting gap-closing measures for FY 2004.

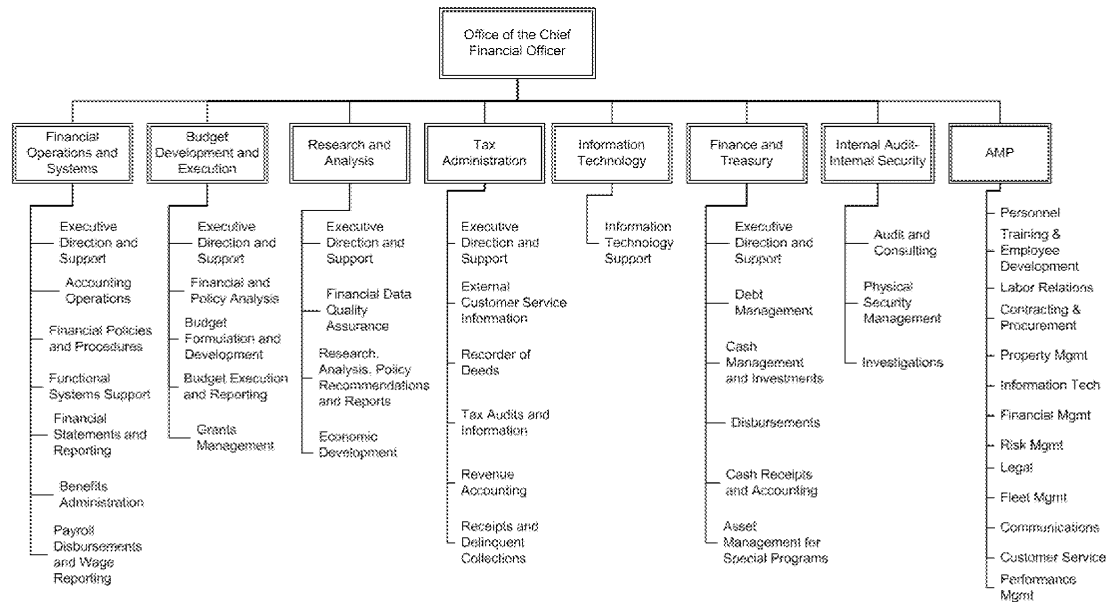
- An increase of \$242,000 plus 2 FTEs for mayoral enhancement for the Performance-Based Budgeting (PBB) benchmarking program. The benchmarking program will allow the OCFO to allocate sufficient, human and financial resources, towards the development and collection of benchmarking data for 33 PBB agencies.
- A net reduction of \$404,244 in supplies and equipment includes \$250,000 in gap-closing measures.
- A net increase of \$350,156 in fixed-cost primarily associated with rent includes \$50,000 in gap closing measures.
- A net reduction of \$491,930 in other and contractual services includes \$568,174 in gap-closing measures.

Special Purpose Revenue Funds. The proposed budget is \$8,445,000, a decrease of \$1,448,099 or 14.6 percent from the FY 2003 approved budget of \$9,893,099. There are 23 FTEs funded by Special Purpose sources, a decrease of 23 or 50.0 percent from the FY 2003 approved budget of 46 FTEs.

Changes from the FY 2003 approved budget are:

Figure AT0-1

Office of the Chief Financial Officer



- A reduction of \$600,000 for Unclaimed Property Contingency, Fund 0613, to match certified amount provided by the Office of Research and Analysis.
- A reduction of \$392,531 in nonpersonal services to align with certified revenue.
- A reduction of \$300,548 in personal services to align with certified revenue.
- A reduction of \$200,000 for Tax Increment Financing (TIF), Fund 0612, to match certified amount provided by the Office of Research and Analysis.
- An increase of \$140,000 for Federal Retirement Benefits Processing, Fund 0615, to match certified amount provided by the Office of Research and Analysis.
- A reduction of \$130,951 to align with certified revenue.

- A reduction of \$9,069 for Dishonored Check Fees, Fund 0605, to match certified amount provided by the Office of Research and Analysis.
- A reduction of \$5,000 in supplies to align with certified revenue.
- An increase of \$50,000 in equipment.

Federal Funds

Federal Grants. The proposed budget is \$932,000, representing no change from the FY 2003 approved budget. The primary source of Federal funding for FY 2004 is the Electronic Benefits Transfer grant, which supports the Electronic Benefits Transfer program. There are 3 FTEs funded by Federal sources, representing no change from FY 2003.

Intra-District Funds

Intra-District. The proposed budget is \$5,807,202 an increase of \$728,849 or 14.4 percent from the FY 2003 approved budget of \$5,078,353. There are 85 FTEs funded by Intra-District sources, an increase of 12 FTEs or 16.4 percent from the FY 2003 approved budget of 73 FTEs. Nine FTEs were transferred from the Special Purpose Fund, 2 FTEs are the result of an MOU agreement for auditor services and one is for the master lease program.

Changes from the FY 2003 approved budget are:

- A net increase of \$903,349 in Personal services associated with the increase in FTEs including an increase of \$723,716 in regular pay, \$10,999 in additional gross pay, \$141,703 in fringe benefits and \$26,931 in overtime pay. This includes a reduction of \$52,928 in Personal Services reflecting a mayoral enhancement to correct agency original budget submission.
- A reduction of \$268,680 in fixed-costs primarily attributed to telecommunication, rent and security.
- An increase of \$102,923 in other services and charges associated with transferred projects.
- An increase of \$72,000 in supplies is due to a correction in agency original budget submission (\$54,000) and an increase demand for supplies (\$18,000).
- A reduction of \$74,943 in contractual services.
- A reduction of \$5,800 in equipment.

Programs

The Office of the Chief Financial Officer is committed to the following programs:

Financial Operations and Systems

	FY 2003	FY 2004
Budget Amount	\$11,732,977	\$11,848,737
FTEs	148	132

The **Financial Operations and Systems** program is responsible for the District's accounting operations, including critical functions such as

District-wide general ledger accounting, financial reporting, and pay/retirement services. The program is responsible for producing the Comprehensive Annual Financial Report, which presents the District's financial position at the end of each fiscal year. The program is also responsible for developing accounting policies and procedures which support the automated System of Accounting and Reporting, the District's formal "books of record" as well as policies and procedures for multiple payroll systems. Throughout the myriad functions of the program and its activities, the current financial position of the District can be ascertained by Local District elected and appointed leaders, as well as by District agencies, so all can make well informed decisions. Recorded references are provided for standard government accounting practices. Related training, expertise and assistance on SOAR is available, for the central OCFO cluster employees and agency financial staff. For former and retired District employees, annuity payments and related benefits are provided so that they receive accurate and timely annuity checks and retirement statements. Finally, a record of compensation and related payments for current District employees are provided so that each employee receives an accurate and timely paycheck.

Key activities associated with the Financial Operations and Systems program are:

- Accounting Operations - provides District-wide General Ledger accounting so as to maintain the official "automated book of record" on which the current financial position of the District can be ascertained by local District elected and appointed leaders, United States Congress, District agencies (directors, financial managers, and employees), public and private financial communities and the general public, so they can make decisions which are influenced by the District's financial position.
- Financial Policy and Procedures - provides recorded references for standard government accounting practices (policies and theories) and guides for operation (procedures and process flows) for the District daily account-

ing function and the supporting automated system of record, for accounting and financial managers and their staff so that they have the information they need to do their job.

- Functional Systems Support - provides related training, expertise and assistance on the automated accounting system, coupled with generally accepted accounting principles for the central OCFO cluster employees and agency financial staff so that they can improve daily performance of recording accounting transactions and reporting of financial position within their agencies/activities.
 - Financial Reporting - provides statements of financial position for the Mayor, Council of the District of Columbia, United States Congress, District managers, rating agencies and the general public so that they can make informed decisions based on timely and accurate financial information.
 - Benefits Administration - provides annuity payments and related benefits for former and retired District employees so that they receive accurate and timely pension refunds, annuity checks and retirement statements.
 - Payroll Distribution and Wage Reporting - provides a record of compensation and related payments for District employees so that they receive an accurate and timely paycheck.
- Key initiatives associated with the Financial Operations and Systems program are:
- Continue to strengthen the Accounting Systems Managers team.
 - Implement the GASB 34 requirements.
 - Implement the fixed asset module in the District's accounting system.

For more detailed information regarding the proposed funding for the activities within this program please see schedule 30-PBB in the FY 2004 Operating Appendices volume.

Key Result Measures

Program 1: Financial Operations and Systems

Citywide Strategic Priority Area(s): Making Government Work

Manager(s): Anthony F. Pompa, Deputy Chief Financial Officer, Financial Operations and Systems

Supervisor(s): Dr. Natwar M. Gandhi, Chief Financial Officer

Measure 1.1: Percent of requested actions completed within five business days

	Fiscal Year		
	2003	2004	2005
Target	95	95	95
Actual	-	-	-

Measure 1.2: Percent of completed information requests that meet a 48 hour deadline

	Fiscal Year		
	2003	2004	2005
Target	90	90	90
Actual	-	-	-

Budget Development and Execution

	FY 2003	FY 2004
Budget	\$4,384,919	\$4,793,102
FTEs	56	59

The **Budget Development and Execution** program prepares, monitors, analyzes and executes the District government's budget, including operating, capital and enterprise funds, in a manner that facilitates fiscal integrity and maximizes services to taxpayers. The Budget Development and Execution (BDE) program also provides advice to policy makers on the District government's budget and has primary responsibility for expenditure forecasts. The program has responsibility for providing leadership and facilitating the development of such innovative budgeting practices as Performance Based Budgeting to improve the quality of the District government's budgeting processes, activities, and documents. Lastly, this program contributes to District-wide management reform efforts, including the Administrative Services Modernization Project,

the pay-scale consolidation activities, and performance management.

Key activities associated with the Budget Development and Execution program are:

- Financial and Policy Analysis - formulates and develops the annual budget, and provide financial policy documentation and analysis services and information for the EOM, Council, OCFO, District agencies, and Congress so that they can maintain fiscal integrity and accountability, support effective decision-making, and receive timely responses to their inquiries.
- Executive Direction and Support - provides general program management, leadership, technical assistance, and support services to OBP staff and other District government personnel so that they can provide financial planning, policy consultation and analysis for decision makers to enable them to make effective decisions and achieve strategic goals. It also provides citizens with information so that they may be informed on financial issues.
- Budget Formulation and Development - provides financial framework services to the Mayor and Council so they can have timely and accurate information to make informed decisions.
- Budget Execution and Reporting - provides monitoring and reporting services to the Mayor, Council, District agencies, and Congress so they can have financial information to make informed decisions about the budget.

Key initiatives associated with the Budget Development and Execution program are:

- Implement Phase Three of PBB, enabling District agencies to develop their budgets around programs and results. In conjunction with the Office of the City Administrator, the program facilitates agency business planning, resulting in identified programs and activities aligned with the citywide strategic plan. Agency budgets, in turn, are reformulated around a program structure so that the relationship between programs, funding, and results is more readily apparent.

- Execute the planning and development phase of the Administrative Services Modernization Program (ASMP). BDE plans to use business process re-engineering strategies and data models to integrate and fully automate four corporate-wide administrative services applications: a) human resource analysis and payroll, b) procurement and contracting, c) fixed costs and d) budget formulation, execution and performance measurement. The goal of this initiative is to provide more timely and accurate expenditure reporting so that District managers are able to make more informed management decisions about program costs.

For more detailed information regarding the proposed funding for the activities within this program please see schedule 30-PBB in the FY 2004 Operating Appendices volume.

Key Result Measures

Program 2: Budget Development and Execution

Citywide Strategic Priority Area(s): Making Government Work

Manager(s): Bert Molina, Deputy Chief Financial Officer, Budget Development and Execution

Supervisor(s): Dr. Natwar M. Gandhi, Chief Financial Officer

Measure 2.1: Percent of agencies with whom OBP is actively working to resolve gap-closing measures related to spending pressures over five percent of their budget

	Fiscal Year		
	2003	2004	2005
Target	100	100	100
Actual	-	-	-

Measure 2.2: Number of agencies preparing performance-based budgets for the following year (cumulative total)

	Fiscal Year		
	2003	2004	2005
Target	27	50	80
Actual	33	-	-

Measure 2.3: Percent of completed information requests that meet a 48-hour deadline

	Fiscal Year		
	2003	2004	2005
Target	90	90	90
Actual	-	-	-

Measure 2.4: Percent of agency budgets aligned with Mayor's Strategic Plan

	Fiscal Year		
	2003	2004	2005
Target	95	95	95
Actual	-	-	-

Measure 2.5: Percent of awarded grant funds lost due to lapse

	Fiscal Year		
	2003	2004	2005
Target	1	1	1
Actual	-	-	-

Research and Analysis

	FY 2003	FY 2004
Budget	\$3,438,525	\$3,033,584
FTEs	42	33

The **Research and Analysis** program is responsible for four major areas of support to the OCFO: 1) revenue estimation and policy analysis; 2) quality assurance for financial reports; 3) analysis supporting economic development; and 4) financial management activities for Federal, private, and other grants. Services included within this program area are: analysis of all revenue sources and development of revenue projections; development of the Financial Plan; development of fiscal impact statements for legislation; economic analysis and research in support of economic development; implementation of grant budget authority for grants, and tracking of expenses relative to grant awards; and delivery of competitively-based subgranting services for agencies. Research and Analysis is responsible for the revenue estimation and certification component of the budget, including revenue from taxes, grants, and other sources. The program provides research and special studies on the tax code and tax compliance, and also provides other special studies either mandated or requested.

Key activities associated with the Research

and Analysis program are:

- Executive Direction and Support - provides general program management, leadership, technical assistance, and support services to ORA staff, so that they can provide research and analytical services on economic, revenue, and grant data and analysis of fiscal and administrative impacts to decision-makers.
- Financial Data Quality Assurance - ensures the quality of the financial data prepared by the Office of the Chief Financial Officer (including, but not limited to, the Revenue and Financial Plan chapters of the annual budget and ad hoc financial reports) for the Mayor, the Council, and the Congress, so that they have up-to-date and reliable information for decision-making.
- Research, Analysis, Policy Recommendation and Reporting - provides economic and revenue data and analysis, District tax structure data and analysis, and legislative fiscal impact analysis for the Mayor, the Council, and the Congress, so they have timely and quality information for policy formulation and decision-making.
- Economic Development - provides analysis of fiscal, economic, financial, and/or administrative impacts of projects to the Mayor and the Deputy Mayor for Economic Development so they can achieve economic development initiatives with maximum economic benefit to the city.

Key initiatives associated with Research and Analysis are:

- Delivery of revenue estimates from tax and non-tax sources including Medicaid reimbursements, and timely preparation of the revenue chapter of the annual budget.
- Delivery of the long-range financial plan for the District, fiscal impacts of proposed legislation, and of fiscal analysis supporting potential policy initiatives.
- Analysis of dedicated revenue from fees, fines and charges (also referred to as O-type revenue) and the associated policies.
- Quality assurance for specific financial reports to be released by the Office of the Chief Financial Officer.

- Delivery of analysis supporting economic development projects, particularly projects that include tax increment financing.
- Analysis of grant funds subject to deobligation resulting from lapse, and implementation of initiatives to minimize the amount of deobligated grant funds.
- Timely delivery of competitive services for agency subgranting of grant-funded programs.

For more detailed information regarding the proposed funding for the activities within this program please see schedule 30-PBB in the FY 2004 Operating Appendices volume.

Key Result Measures

Program 3: Research and Analysis

Citywide Strategic Priority Area(s): Making

Government Work

Manager: Julia Friedman, Deputy Chief

Financial Officer, Research and Analysis

Supervisor: Dr. Natwar M. Gandhi, Chief

Financial Officer

Measure 3.1: Percent variation between the original binding revenue estimate as compared to actual revenue and the CBO estimate of federal revenue and actual federal revenue

	Fiscal Year		
	2003	2004	2005
Target	5	5	5
Actual	-	-	-

Measure 3.2: Percent of ad hoc documents reviewed by ORA that do not contain factual errors

	Fiscal Year		
	2003	2004	2005
Target	90	90	90
Actual	-	-	-

Measure 3.3: Percent of applications for tax increment financing that are reviewed and processed within 120 days of receipt in ORA

	Fiscal Year		
	2003	2004	2005
Target	80	80	80
Actual	-	-	-

Tax Administration

	FY 2003	FY 2004
Budget	\$43,177,004	\$40,558,279
FTEs	572	510

The **Tax Administration** program provides fair, efficient and effective administration of the District's business, income, excise and real property tax laws. The tax administration program is divided into the following core activities: external customer service, deed recordation, real property tax assessment, receipts and collections, revenue accounting, and tax audits and investigations.

Key activities associated with the Tax Administration program are: External Customer Service, Information and Education.

This activity composed of the walk-in and telephone customer service centers, which assist more than 400,000 taxpayers annually, and works to resolve more complex tax cases, including hearing and review of first level tax appeals. This activity also consists of the development and distribution of public tax forms, support of various electronic tax filing and payment options, initiating and responding to mail correspondence with taxpayers, and tax registration and certification.

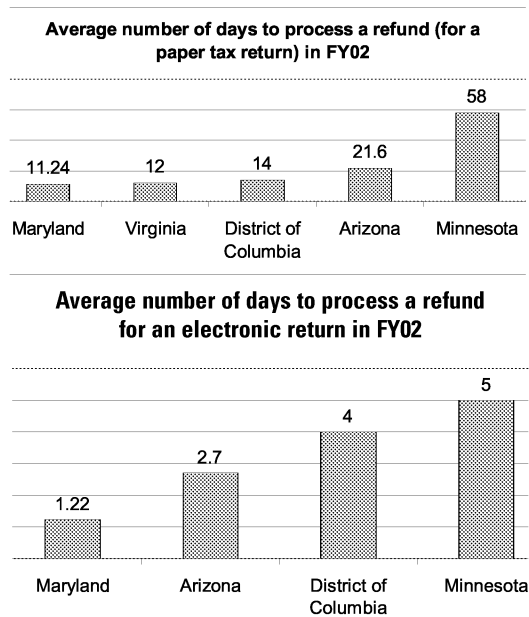
- Real Property Tax Administration - this activity consists of the assessment and billing of real property taxes and first level assessment appeals. In FY 2001, the real property tax base of approximately 171,641 parcels had an assessed value of \$76.3 billion, an increase of 2.8 percent over FY 2000. Of this amount, \$32.1 million in assessed value was tax exempt. Real property tax collections for FY 2001 were \$635.3 million, or 95 percent, of the total tax levy, a 5.6 percent increase in collections over FY 2000.
- Receipts and Delinquent Collections - processes more than a million tax returns annually, recording and deposit of more than \$865 million in tax payments and collection of delinquent tax payments, which was approximately \$70 million in FY 2001.
- Revenue Accounting - ensures the proper accounting and reporting on revenue collections, and supports issuance of tax refunds.

Key Program Benchmarks

One of the key benchmark measures for the OCFO's Tax Administration program is the number of days that it takes OTR to process a tax refund. The accompanying tables compare the District's performance with benchmark jurisdictions. For both paper and electronic returns, the District ranked at or near the middle among those benchmarked.

Figure AT0-2

The key benchmarks for the Tax Administration program:



*Virginia did not track this measure in FY02.
Source: D.C. Office of the Chief Financial Officer

- Tax Audits and Investigations - ensures tax compliance by identifying potential non-filers and performing other tax compliance checks to ensure that the District is collecting the correct amount of tax due from all taxpayers. This activity also identifies and investigates cases of tax fraud.

Key initiatives associated with the Tax Administration program are:

- Implement the Integrated Tax System, to

include integration of Real Property Assessment and Billing Systems.

- Expand tax filing opportunities including web-based filing.
- Expand taxpayer compliance program, including clean hands enforcement to collect receivables due across District agencies.
- Implement the return to annual assessment process for real property taxes.

For more detailed information regarding the proposed funding for the activities within this program please see schedule 30-PBB in the FY 2004 Operating Appendices volume.

Key Result Measures

Program 4: Tax Administration

Citywide Strategic Priority Area(s): Making Government Work

Manager(s): Dan Black, Acting Deputy Chief Financial Officer, Tax Administration

Supervisor(s): Dr. Natwar M. Gandhi, Chief Financial Officer

Measure 4.1: Percent of customers satisfied with information provided

	Fiscal Year		
	2003	2004	2005
Target	80	85	85
Actual	-	-	-

Measure 4.2: Percent of recorded documents with complete and accurate information

	Fiscal Year		
	2003	2004	2005
Target	85	90	90
Actual	-	-	-

Measure 4.3: Percent of assessments upheld on appeal

	Fiscal Year		
	2003	2004	2005
Target	75	75	75
Actual	-	-	-

Measure 4.4: Delinquent account collections

	Fiscal Year		
	2003	2004	2005
Target	78	95	115
Actual	-	-	-

Measure 4.5: Percent of refunds issued within 14 days

	Fiscal Year		
	2003	2004	2005
Target	95	95	95
Actual	-	-	-

Information Technology

	FY 2003	FY 2004
Budget	\$6,032,023	\$5,794,783
FTEs	19	18

The **Information Technology** program develops and maintains state-of-the-art financial information systems for the District of Columbia, payroll, pensions, SOAR and the Executive Information System (EIS). The principal objectives of the program are to maintain accurate systems, modification of systems in response to the changing needs of the District, and maintain compliance with federal, state and local regulations. Other objectives are to provide the availability and performance to support the OCFO and the agency CFOs, track and resolve system problems, and comply with standard accounting and audit policies practiced in the District. Information Technology (IT) also maintains an operation that is in compliance with basic IT policies and practices, maintains technical currency, avoids obsolescence, and promotes and encourages use of these systems as the official system of record.

IT's program facilitates and extends access to the District's financial data, provides tools that enable analysis of the financial status of the agencies and the District in its entirety and supports SOAR. This facilitates high level financial oversight for senior District management and policy makers.

Key initiatives associated with the Information Technology program are:

- Continue enhancement and planning of financial systems including the District's financial management system (SOAR) and its integration with payroll, cash management and reporting systems.
- Expand availability and utilization of EIS.

For more detailed information regarding the proposed funding for the activities within this program please see schedule 30-PBB in the FY 2004 Operating Appendices volume.

Key Result Measures

Program 5: Information Technology

Citywide Strategic Priority Area(s): Making Government Work

Manager(s): Maynard Gambrell, Chief Information Officer

Supervisor(s): Dr. Natwar M. Gandhi, Chief Financial Officer

Measure 5.1: Percent of payroll system project milestones completed on time and within budget

	Fiscal Year		
	2003	2004	2005
Target	60	75	90
Actual	-	-	-

Measure 5.2: Percent of system available for users during regular business hours in order to assure that the District's accounting, budget, payroll, and tax systems provide timely, accurate, and reliable information

	Fiscal Year		
	2003	2004	2005
Target	90	90	95
Actual	-	-	-

Finance and Treasury

	FY 2003	FY 2004
Budget	\$15,446,978	\$14,370,883
FTEs	90	88

The **Finance and Treasury** program provides asset management services to the District, its agencies and its stakeholders so they can maintain maximum financial flexibility and return on investments.

Key activities associated with the Finance and Treasury program are:

- Debt Management - issues bonds, notes and other financing vehicles for the District so that the District can maximize capital project capacity while maintaining future financing flexibility and finance any seasonal cash needs.
- Cash Management & Investments - manages cash resources for the District, so that the District can meet its cash obligations and maximize interest income from cash resources.
- Disbursements - provides check writing

activity and dissemination services for District agencies, so that they can fulfill their financial obligations to their stakeholders.

- Cash Receipts and Accounting - provides revenue collection, auditing and recordation services for District agencies so that they can have accurate and timely revenue information.
- Asset Management - provides custodial services to District residents, so that they can ensure maximum benefits in these programs.

Key initiatives associated with the Finance and Treasury program are:

- Continue to manage the District government's creditworthiness, including debt management and the refinancing of debt whenever advantageous.
- Continue to improve cash management procedures and policies.
- Continue marketing the District's College Savings Plan.

For more detailed information regarding the proposed funding for the activities within this program please see schedule 30-PBB in the FY 2004 Operating Appendices volume.

Key Result Measures

Program 6: Finance and Treasury

Citywide Strategic Priority Area(s): Making Government Work

Manager(s): N. Anthony Calhoun, Deputy Chief Financial Officer, Treasury Operations

Supervisor(s): Dr. Natwar M. Gandhi, Chief Financial Officer

Measure 6.1: Maximum annual debt service as a percent of total local revenues

	Fiscal Year		
	2003	2004	2005
Target	13	13	13
Actual	-	-	-

Measure 6.2: Percent of banking service contracts whose costs are lower than the Phoenix Hecht index

	Fiscal Year		
	2003	2004	2005
Target	100	100	100
Actual	-	-	-

Measure 6.3: Percent of checks and earning statements that meet payment schedule

	Fiscal Year		
	2003	2004	2005
Target	100	100	100
Actual	-	-	-

Measure 6.4: Percent of unclaimed property returned to owners

	Fiscal Year		
	2003	2004	2005
Target	85	85	85
Actual	-	-	-

Internal Audit/Internal Security (IAIS)

	FY 2003	FY 2004
Budget	\$1,874,072	\$1,887,890
FTEs	23	22

The **Internal Audit/Internal Security (IAIS)** program ensures that accountability, integrity and efficiency are maintained in the District of Columbia's financial management and tax administration systems. Key activities associated with the IAIS are:

- Audit and Consulting - provides audit/review services, manage the overall process of handling and responding to external audit reports, and coordinate District single audits and management letter comments for the District agencies so they can improve operations.
- Physical Security Management - provides security services for the Office of Tax and Revenue so they can safeguard employees, tax information and office assets.
- Investigations - provides investigative services and tax fraud hotline administration for OCFO management so that they can take administrative action as appropriate.

Key initiatives associated with IAIS are:

- Expand the audits of financial systems to assure data security and integrity.
- Strengthen the background check program and integrity training for OCFO employees.

For more detailed information regarding the proposed funding for the activities within this program please see schedule 30-PBB in the FY 2004 Operating Appendices volume.

Key Result Measures

Program 7: Internal Audit/Internal Security

Citywide Strategic Priority Area(s): Making Government Work

Manager(s): Sebastian Lorigo, Director Internal Audit and Internal Security

Supervisor(s): Dr. Natwar M. Gandhi, Chief Financial Officer

Measure 7.1: Percent of audit recommendations that are fully or partially implemented or resolved

	Fiscal Year		
	2003	2004	2005
Target	90	90	90
Actual	-	-	-

Measure 7.2: Percent of approved security needs implemented

	Fiscal Year		
	2003	2004	2005
Target	100	100	100
Actual	-	-	-

Measure 7.3: Number of investigation reports issued that are returned for additional information or investigation due to deficiencies in the investigation

	Fiscal Year		
	2003	2004	2005
Target	4	4	4
Actual	-	-	-

Agency Management

	FY 2003	FY 2004
Budget	\$6,689,629	\$6,282,922
FTEs	63	68

The **Agency Management** program provides the operational support to the agency so they have the necessary tools to achieve operational and programmatic results. This program is standard for all Performance-Based Budgeting agencies. More information about the Agency Management program can be found in the Strategic Budgeting chapter.

For more detailed information regarding the proposed funding for the activities within this program please see schedule 30-PBB in the FY 2004 Operating Appendices volume.

Key Result Measures

Program 8: Agency Management

Citywide Strategic Priority Area(s): Making Government Work

Manager(s): Joanne Smoak, Director, Office of Mgmt & Administration

Supervisor(s): Dr. Natwar Gandhi, Chief Financial Officer

Measure 8.1: Percent of OCF0's activities with long-range IT plans

	Fiscal Year		
	2003	2004	2005
Target	-	95	95
Actual	-	-	-

Measure 8.2: Percent variance of estimate to actual expenditure (over/under)

	Fiscal Year		
	2003	2004	2005
Target	-	5	5
Actual	-	-	-

Measure 8.3: Percent reduction of employee lost work-day injury cases agency-wide as compared to FY 2003 baseline data (baseline data will be compiled during the fiscal year)

	Fiscal Year		
	2003	2004	2005
Target	-	-10	-10
Actual	-	-	-

Measure 8.4: Rating of 4-5 on all four telephone service quality criteria: 1) Courtesy, 2) Knowledge, 3) Etiquette and 4) Overall Impression

	Fiscal Year		
	2003	2004	2005
Target	-	4	4
Actual	-	-	-

Measure 8.5: Percent of Key Result Measures achieved

	Fiscal Year		
	2003	2004	2005
Target	-	70	70
Actual	-	-	-